

2018 Supplemental Budget Decision Package

Agency: 307 Department of Children, Youth, and Families

Decision Package Code/Title: PL – A3 / Increase Placement Resources

Budget Period: 2017-19

Budget Level: Policy Level

Agency Recommendation Summary Text:

The Department of Children, Youth, and Families (DCYF) requests \$8,660,000 (\$8,516,000 GF-State) and 55.5 FTE to improve the placement crisis for children and families under the care and custody of the DCYF. Improvements will increase placement stability for children, allow them to be placed in closer proximity to their parents and communities, and decrease the use of costly placements that negatively impact well-being such as hotel stays and night-to-night foster care.

Fiscal Summary:

Operating Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
001-1 General Fund-State	\$0	\$8,516,000	\$8,193,000	\$8,193,000
001-A General Fund-Federal	\$0	\$144,000	\$137,000	\$137,000
Total Cost	\$0	\$8,660,000	\$8,330,000	\$8,330,000
Staffing	FY 2018	FY 2019	FY 2020	FY 2021
FTEs	\$0	55.5	55.5	55.5
Revenue	FY 2018	FY 2019	FY 2020	FY 2021
001-A General Fund-Federal	\$0	\$144,000	\$137,000	\$137,000
Object of Expenditure	FY 2018	FY 2019	FY 2020	FY 2021
Object A – Salaries	\$0	\$3,713,000	\$3,713,000	\$3,713,000
Object B – Benefits	\$0	\$1,459,000	\$1,459,000	\$1,459,000
Object E – Goods and Services	\$0	\$1,284,000	\$954,000	\$954,000
Object N – Client Services	\$0	\$2,204,000	\$2,204,000	\$2,204,000

Package Description:

DCYF continues to experience a placement crisis for children in out of home care. In Fiscal Year 2017, DCYF placed up to 20 children in hotels monthly (with staff supervision), which does not meet the federal requirement of a family-like setting and is not conducive to well-being. DCYF exhausted all options with the behavioral service providers and foster homes providing specialized care before using hotels as placements. Fortunately, in the 2017-19 enacted biennial budget, DCYF received funding for emergent placement contracts and staff to increase the licensing of foster homes. However, the funding

was a portion of the total need and DCYF requires additional resources to combat the growing placement crisis.

The 2016 Supplemental Budget Section 202(20) directed DCYF - then the Children's Administration (CA) - to examine the foster care placement continuum and formulate a plan for improving placement stability.

The plan noted a \$50 million reduction in CA's out-of-home care budget from 2009 to 2012, and the removal of Behavioral Rehabilitation Services (BRS) program from the forecasted mandatory caseload-funding model. BRS costs increased since 2012 and in Fiscal Year 2017 returned to the Fiscal Year 2010 level. BRS is a service and placement resource intended to meet the needs of children with challenging behavioral or mental health. The elimination of forecasting BRS resulted in a compression and reduction of resources. In addition, the stagnant payment rates for BRS services led to the providers' lack of confidence for fair payments of the services they rendered.

The plan reported DCYF not only faces a placement crisis but a fragmentation observed throughout the continuum of care. The three most apparent areas needing additional support are when children enter the department's care, the transition between foster care and BRS, and the transition into or out of other DSHS administrations such as mental health programs and juvenile justice institutions. DCYF lacks sufficient resources for children first entering care, specifically those needing placement during after-hours, weekends, and holidays. These children can exhibit high behavioral issues or come from families with large sibling groups, making them difficult to place.

Federal law requires the child's placement to be in the least restrictive and most family-like setting such as foster care or kinship care, although a BRS placement is required if the child displays high behavioral problem and cannot be stabilized. Due to reduced resources and capacity of BRS, it can take a child two weeks to two months for this new placement option. Delays in finding BRS placements can cause the foster homes, contracted providers, and agency partners to decline or discontinue serving children in CA's care and custody.

DCYF also receives youth released from juvenile detention or hospitalization who can display aggressive physical and sexual behaviors. Their history of self-harm and suicide make them difficult to place in a foster home. The Children's Long-term Inpatient or psychiatric beds are limited, so having no viable placement and treatment options significantly disrupt the continuity of care for these children.

The report made the following recommendations:

- Increase the number of facilities that accept children and youth on an emergency basis;
- Explore categorizing some foster parents as professionals and add training, skill building and a competitive wage;
- Use currently unoccupied state-owned facilities as possible placement options;
- Facilitate cohesive integration of behavioral health services under a Managed Care Organization (MCO);
- Re-examine the referral process, easing and broadening access to non-facility based BRS;
- Develop Treatment Foster Care (TFC) under MCO pilot;

- Develop a predictive model assessment process pilot; and
- Develop comprehensive TFC service package payment for child placing agencies pilot.

DCYF is planning on pursuing a number of strategies including:

- Creating additional emergency placement facilities,
- Piloting a partnership with managed care for additional treatment foster homes
- Recommending the return of BRS into the mandatory caseload process
- Increasing support to current and potential foster parents by:
 - Creating a web-based licensing portal
 - Re-establishing local placement desks and in-office foster parent liaisons

Base Budget:

In Fiscal Year 2017, the State of Washington invested \$190,315,255 serving up to 10,000 out-of-home children through BRS and foster care services.

Decision Package expenditure, FTE and revenue assumptions, calculations and details:

- 1) Two New Emergency Facilities (regions 2 and 3), \$1,500,000 state per year:
 - a. Facilities will operate year round, provide up to 18 beds, and will serve as temporary until finding appropriate placement for children and youth. Their focus is on after-hours placements and emergencies where the conventional foster home cannot meet the behavioral needs of the child. DCYF has an emergency facility, Sally’s House, in Region 1 (Spokane area) at \$750,000 per year. This will address the need to increase placement facilities that service children on an emergency basis.
- 2) Treatment Foster Care Bed under Managed Care Organization pilot, 0.5 FTE and \$1,333,000 state per year:
 - a. DCYF will contract with the MCO, Coordinated Care, to develop capacity for new TFC beds in pilot locations. The program will provide clinical intervention with specifically trained foster parent homes for children and youth who have severe mental, emotional, or behavioral health needs, and whose unique needs require more intensive clinical intervention than can be provided in conventional foster care homes. The MCO will bring a unique opportunity to combine DCYF placement resources with behavioral health services provided through Behavioral Health Administration (DSHS mental health administration) seamlessly.
 - b. Estimates 15 beds providing options for long-term services to children with significant behavioral challenges up to 180 days, mid-term services to children transitioning out and into next level of care up to 90 days, and short-term services to children for respite care up to 7 days.
- 3) Foster Home Licensing software, \$781,000 (\$765,000 state and \$16,000 federal) per year:
 - a. Software that streamlines the application process for foster home licensing and allow prospective foster parents to apply online. The ease and increased transparency of this application process will increase the number of applicants who successfully become licensed.

- 4) Decentralize Placement Desk Staff, \$2,462,000 (\$2,413,000 state and \$49,000 federal) and 20 FTE in Fiscal Year 2019, and \$2,342,000 (\$2,295,000 state and \$47,000 federal) and 20 FTE in Fiscal Year 2020 and thereafter:
 - a. Staff are currently assigned to one location but seek placements throughout the state. Moving staff into the regions may provide better placement options for children by allowing closer proximity and communication between placement staff, social workers, and providers. Regions 2 and 3 are currently centralized. Region 1 is decentralized but need additional staff, due to overwhelming workload to perform both casework and placement duties. The additional 20 FTE allows placement work to continue into evening hours, when kids come into placement through protective custody. It also allows the smaller offices to have dedicated staff for placement work, currently; staff take on placement activities as additional assignments.

- 5) Foster Parent Liaison, 35 FTE and \$3,934,000 (\$3,855,000 state and \$79,000 federal) in Fiscal Year 2019, and \$3,724,000 (\$3,650,000 state and \$74,000 federal) and 35 FTE in Fiscal Year 2020 and thereafter.
 - a. DCYF staff will answer foster parents' questions, refer them for additional resources, and provide other support. In the past, DCYF had foster parent liaison and recruitment/retention staff dedicated to this work and they provided caregivers assurance if they had questions or needed problem resolutions. These staff also managed referrals to foster parents for emergency services, refer them to community providers to help manage difficult kids, and refer families to other available community supports. DCYF does not currently have staff dedicated to this work. These staff will not only work with foster parents and service providers but with placement staff and foster home/facility licensing staff. Employing these staff in the local offices with skill sets in relationship-building, creativity, flexibility and energy would be very valuable in the placement continuum for children and their families.

- 6) Mandatory Caseload to include BRS
 - a. DCYF will continue working with the technical workgroup and offer options for forecasting portions of the BRS program costs. If accepted, costs would reflect in the mandatory caseload step.

Decision Package Justification and Impacts

What specific performance outcomes does the agency expect?

DCYF would have emergency facilities and no longer need to place children in hotels temporarily. DCYF would provide foster parents and caregivers' relief if they have challenging kids, which would motivate them to keep providing for children and continue the work.

Performance Measure detail:

- Estimate to serve at minimum 156 children per year for two 24-hour emergency facilities (Sally House median daily census is 13 kids. Their goal is to find permanent placement for kids within 30 days of arriving).

- TFC beds under MCO pilot: DCYF estimates to serve 6 children per year in long-term TFC beds, 36 children for mid-term beds and 204 children for short-term.
- Licensing Software: company showed its child family services client saved social workers application time by 20-40 percent and increased non-relative referrals by 400 percent. DCYF assumes to receive similar results and increased licensed foster homes.
- Decentralizing Placement Desk and Foster Parent Liaison Staff: Improvement in working relationships between providers and placement staff. Placement staff working alongside caseworkers leads to expeditious placement and decreases wait time and uncertainty for children and youth.

Fully describe and quantify expected impacts on state residents and specific populations served.

DCYF can serve children out-of-home care with high behavioral and mental health needs. DCYF serves more than 6,000 children in licensed out-of-home care and more than 4,000 in unlicensed relative/kin care annually.

What are other important connections or impacts related to this proposal?

Impact(s) To:		Identify / Explanation
Regional/County impacts?	No	Identify:
Other local gov't impacts?	No	Identify:
Tribal gov't impacts?	Yes	Identify: DCYF may and better assist serve tribal children needing placement.
Other state agency impacts?	Yes	Identify: DCYF will work with DSHS Behavioral Health and Developmental Disability administrations in providing appropriate services and adequate placement resources.
Responds to specific task force, report, mandate or exec order?	Yes	Identify: This request incorporates recommendations from the Continuum of Care Report required under Chapter 36, Laws of 2016 2ESHB 2376 Section 202(20) Supplemental Budget.
Does request contain a compensation change?	No	Identify:
Does request require a change to a collective bargaining agreement?	No	Identify:
Facility/workplace needs or impacts?	No	Identify:

Capital Budget Impacts?	No	Identify: Future budget requests may incorporate the recommendation from the Continuum of Care Report about turning state-owned facilities into a placement option.
Is change required to existing statutes, rules or contracts?	No	Identify:
Is the request related to or a result of litigation?	No	Identify lawsuit (please consult with Attorney General's Office):
Is the request related to Puget Sound recovery?	No	If yes, see budget instructions Section 14.4 for additional instructions
Identify other important connections		

Please provide a detailed discussion of connections/impacts identified above.

What alternatives were explored by the agency and why was this option chosen?

DCYF has placed children in hotels with staff supervision and in night to night foster home placements but these are not appropriate long-time plans.

What are the consequences of not funding this request?

DCYF will continue to struggle to find adequate placement and treatment options for children in out-of-home care.

How has or can the agency address the issue or need in its current appropriation level?

DCYF will be adding predictive modeling analytics. There is a need for a consistent and objective assessment at the earliest stage possible, ideally at the time children and youth enter DCYF care. Using predictive analytics with data available at the time the child is initially placed in out-of-home care may allow DCYF to objectively assess the need level of the children coming into care expeditiously.

Other supporting materials:

Information technology:

- No
- Yes (Continue to IT Addendum below)

2018 Supplemental IT Addendum

Part 1: Itemized IT Costs

Please itemize any IT-related costs, including hardware, software, services (including cloud-based services), contracts (including professional services, quality assurance, and independent verification and validation), or IT staff. Be as specific as you can. (See chapter 12.1 of the operating budget instructions for guidance on what counts as “IT-related costs”)

Information Technology Items in this DP <i>(insert rows as required)</i>	FY 2018	FY 2019	FY 2020	FY 2021
Licensing software	0	\$781,000	\$781,000	\$781,000
Total Cost	\$0	\$781,000	\$781,000	\$781,000

Part 2: Identifying IT Projects

If the investment proposed in the decision package is the development or acquisition of an IT project/system, or is an enhancement to or modification of an existing IT project/system, it will also be reviewed and ranked by the OCIO as required by RCW 43.88.092. The answers to the three questions below will help OFM and the OCIO determine whether this decision package is, or enhances/modifies, an IT project:

1. Does this decision package fund the development or acquisition of a new or enhanced software or hardware system or service? Yes No
2. Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.) Yes No
3. Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121.](#)) Yes No

If you answered “yes” to any of these questions, you must complete a concept review with the OCIO before submitting your budget request. Refer to chapter 12.2 of the operating budget instructions for more information.

